Commission on Streamlining Government

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Advisory Group on IT Integration

Minutes of Meeting
Tuesday,
September 29, 2009

The following minutes were prepared by Yvette Guilbeau

I. CALL TO ORDER

A meeting of the Advisory Group on IT Integration was held on Tuesday, September 29, 2009 in Room A-B at the State Capitol in Baton Rouge, Louisiana. The chairman, Senator Mike Michot, called the meeting to order at 10:06 a.m.

II. ROLL CALL

The chairman called the roll and the following was noted:

MEMBERS PRESENT:

Senator Mike Michot
Commissioner Angele Davis
Patrick Thompson
Della Bonnette

MEMBERS ABSENT:

Senator Duplessis

STAFF PRESENT:
J. W, Coordinator
Cheryl Horne, Attorney
Yvette Guilbeau, Secretary
Jay Lueckel, Budget Analyst
Evan Brasseaux, Education Section Director
Michael Boutte, Sr. Auditor

WITNESSES:
Richard McKinney, Microsoft
Keppe E. Andrews, Microsoft
Stewart Rozas, Microsoft
Andy Tramel, Hewlett-Packard Enterprises Service
Lou Bucnomo, Hewlett-Packard

III.   APPROVAL OF MINUTES

Senator Michot made a motion to approve the minutes from the September 24, 2009, advisory group meeting. There being no objection, said minutes were adopted.

IV.   PRESENTATION

Senator Mike Michot, Chairman, stated that presentations were going to be given today by Microsoft Corporation and Hewlett - Packard and thank them for coming. He explained that recommendations will be given to the full streamline commission over the next few months as part of the committee's report. He states that any information they provide will be taken into consideration and will be a part of their recommendations.

Richard McKinney, with Microsoft Corporation begins the presentation by thanking the members for the opportunity to present this presentation. He gives information about his background with Microsoft stating that he has been with them for more than four years. He explained that he worked with the state of Louisiana in studying the voting systems and stated we had a great system and used a lot of it as a blue print for the systems that was install when he worked in the Tennessee Central Assembly.

He begins the presentation by walking through how Microsoft got started. He explains on how they got where they are today. He starts with the 1960's time frame and its mainframe shop and then moves onto the 1980's to 1990's revolution and how it got stuck in a place in state and local government. He explained how the departments and agencies over the years have grown tired of being the customer of the centralized mainframe shop. They felt they were not being treated like customers and were being dictated to and that the central agencies did not understand their business solutions and did not know what it was like to be in the revenue business or the human services business, and how the centralized shop was trying to say that this is what they needed. The customers felt like they did not understand how their businesses worked. He moves onto the 2000's and the internet and begins with the infrastructure optimization - The IO Journey. He talks about the core infrastructure and basically where the journey begins for Microsoft and their customers. He explains the basic IO capabilities and managing a PC in one year - basic $1320/PC. He goes on to talk about the standardized IO capabilities which are $580/PC and then to the rationalized IO capabilities which is $230/PC. He explains the difference between the IO and IT performance and the infrastructure optimization savings.

After the presentation Mr. McKinney asks the members if they have any questions.

**To view this presentation you can access it at www.legis.state.la.us,
Streamlining Government Commission- Presentations**

Sen. Michot addresses the committee asking them if they have any questions. There being none he thanks Microsoft for their presentation and looks forward to working with them as the committee moves forward through the process.

He introduces Lou Bucnomo, with Hewlett-Packard and his colleague Andy Tramel. He begins the presentation by stating he is with the enterprise business unit of Hewlett-Packard (HP). He gives a summary on HP and how it is the world's largest IT and Technology company. He explains how HP has recently made some acquisitions around software and services with EDS. He states that HP is the number two services company in the world which has enabled the company to become global and meet the needs of all of their customers. He explains what HP has gone through and IT transformation internally. He gives a little background on himself and how long he has been with HP.

He explains the real challenges in the business of IT and where they put their CEO's and their IT staff. He states what they did not do as and IT organization which was to step back and look at constantly rearchitecting their environment as they were trying to move forward. HP did not have clear governance on how to move forward which has left them with inefficient staffing. He further states how they could not address today's challenges and tomorrow needs with yesterdays technology and processes. He suggests that we ask ourselves what the key transformation questions are and how we need to improve our data center efficiently. He discusses HP Transformation benefits of having an IT service provider and the critical success factors of IT. He states how they built new data centers and look at the portfolio of their applications and rationalized them. HP looked at their workforce and made sure it was the right size and the right skill level.

Andy Tramel with HP business services speaks about IT from a healthcare perspective.   He states that one of the things the state needs to focus on are not just cutting cost but also on how to distribute investment capital and how to best use it. He explains there are other sources of capital that can be tapped into so the state can reuse funds in other areas. He explains the state's role as custodian of the healthcare delivery. He goes on to explain the LA Health care reform ACT 243 of 2007. He explains the intent of ARRA and how the state's administrative needs are driven by ARRA.

After the presentation Mr. Tramel asks the members if they have any questions.

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Streamlining Government Commission- Presentations**

Sen. Michot addresses the committee asking them if they have any questions. Com. Davis asks the question that when HP underwent their transformation for over three years were they able to quantify their savings. Mr. Bucnomo explained that when they went through the transformation they used their savings and put it back into the business. They had a concept for their return of revenue for IT which they agreed upon

from the start of the project and what the net business value of doing the project and how they would have a savings across the board.

Sen. Michot asks if there are any further questions, there being none he thanks Hewlett-Packard for their presentation and looks forward to working with them as the committee moves forward through the process.

ADJOURNMENT

Senator Mike Michot made a motion to adjourn without objection. There being no further business, the meeting was adjourned at 11:25 p.m.

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Senator Mike Michot
Chairman

____10-6-09_____
Date Approved